

Oil Substitution Act

Members on the Government side have talked about all the jobs that were lost in western Canada because of the National Energy Program. I agree that some jobs may have been lost, but when people in Atlantic Canada convert from oil to wood, they create jobs in that area. Atlantic Canada obtains its oil from offshore. For many years there was a subsidy program in place to help these Canadians. The dollars spent to purchase that oil left this country. However, a dollar spent on wood or other energy sources that we have in our own back yard is reinvested within the community. Every dollar spent generates another seven dollars in that community.

It is a shame to see what this Government is doing with these two very important programs. There are many people who insulate their homes from the outside, not the inside. The inside walls may be perfectly good. When they reshingle, they may tear off the boards from the outside. That could not be done between November 8 and now.

Other speakers have mentioned digging for gas lines and so on. I do not know whether that is entirely appropriate. I realize that you cannot dig as cheaply in the winter as in the summer, but the gas lines can be installed. However, not much can be done to the outside of a house in the winter in my area. If we cannot get this legislation withdrawn completely so that the programs will stay in effect until completion in 1990 for COSP and 1987 for CHIP, then the six-month hoist is a fair idea. It is not long enough, but the Government could use that six months to organize. When it receives input from Canadians, it will see the benefits of the program. It would also become aware of the job-creation aspects of the program.

The pittance of an incentive that was there had spin-off effects. If someone installed a wood furnace in my province, in many cases he would often put in a new chimney, which created work for bricklayers and others. Most Prince Edward Islanders began burning oil in the early 1960s. Previous to that they burned wood. They got away from that in the days of cheap oil. Many of those furnaces needed replacement. Senior citizens and others were sometimes unable on their skimpy income to afford a proper conversion. This \$500 or \$800 given by the previous Government was of great benefit to them. Once again, this Government is penny wise and pound foolish by bringing this kind of legislation before the House of Commons to get rid of something which over the years has been an excellent program.

Mr. Howard McCurdy (Windsor-Walkerville): Mr. Speaker, it may seem a bit strange that someone from Windsor should rise to express concern about the threatened demise of the Canadian Oil Substitution Program and the Canadian Home Insulation Program, especially given the warmth of our people and the moderation of our climate. In fact, it was not a concern until we felt the first cold wind of conservatism in this northern climate. That could only be explained by the ideology of the present Government, consistent with other cuts which had been applied, directed at cutting the deficit at any cost. It is another of these programs that in search of deficit cutting clearly has been introduced with little thought, just as with the

cuts in the CBC and cuts in the environment which, in afterthought, were at least modified to some degree.

Both CHIP and COSP have as their purpose the conservation of energy. COSP was designed to encourage the conversion to alternate fuels, providing a 50 per cent grant or \$800 maximum. The insulation program provided 60 per cent of cost to a maximum of \$500. These programs met their intentions.

This is a country in which energy costs are very high. We have the highest rate of expenditure for energy of perhaps any country in the world. I would think that any program that is designed to reduce energy costs in this country would be supported by just about everyone in the country, with the possible exception of the Conservative Government. This is a country in which housing costs are fast outpacing the ability of people to pay, and energy costs are a significant component of that. Any programs that were designed to cut housing costs would be supported by almost anyone in the country, except this Conservative Government. This is a country in which we have limited oil resources. It is a non-renewable resource. Any program designed to conserve oil would make sense to anyone in this country, with the possible exception of this Conservative Government.

Imported oil is costly. It is needed in the east particularly. Any program designed to reduce imports of oil from elsewhere would, I am sure, be supported by almost everyone in this country, again with the exception of this Conservative Government. Unemployment is a critical program and any program designed to produce jobs would be approved by anybody in this country, except the Conservative Government. Indeed, because COSP and CHIP contribute to all these goals, they would be supported by almost everyone in the country. We must ask ourselves: Why are they not supported by the Conservative Government?

• (1530)

The Canadian Oil Substitution Program was introduced in 1980 to reduce oil use from 37 per cent to 10 per cent of residential energy. By 1984, half the target, or two million conversions had been reached. There are 42,000 barrels of oil per day which are saved, and householders are saving \$634 per year. It means that the consumer will receive a return on his investment within two to three years.

Similarly, CHIP had a targeted conversion of 4.9 million residences by 1987. At the end of last year, 2.5 million residences had been converted. Many of the people who converted were low-income citizens. Indeed, a great proportion of the grants went to those who earned less than \$15,000 a year. Those who took advantage of the cuts in fuel costs were able to reduce their expenses by 17 per cent through CHIP. It amounted to a saving of \$207 per year. Therefore, they paid for their conversion within one year. Through CHIP, 23,000 barrels of oil per day were saved. A person who took advantage of both COSP and CHIP saved approximately \$800 a year.

These two programs have been meeting their goals. For the Government to propose the termination of the programs can